

**ZESIGER CAPITAL GROUP LLC**  
**GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK**

FOR THE MONTH OF: **AUGUST** **2006**

**MANAGER PERFORMANCE CALCULATIONS**

\* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Zesiger Total	5.12%	0.97%	26.80%	18.42%	13.84%
Zesiger Private	-2.10%	-6.16%	13.81%	6.26%	-8.18%
Zesiger Public	5.39%	1.24%	27.42%	19.01%	16.81%
MSCI ACWI	2.64%	3.37%	17.24%	17.80%	8.99%
Wilshire 5000	2.35%	2.17%	8.76%	12.01%	6.14%

**PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS**

The portfolio continued to rebound strongly from the mid-year decline. Total return for August was 5.1%, nearly doubling the MSCI ACWI index and more than doubling the return for the Wilshire 5000 benchmark. Both domestic and international portions contributed to the portfolio's performance for the month. Domestic returning 6.2% and international 4.9% versus the benchmark returns of 2.6% [MSCI ACWI] and 2.4% [Wilshire 5000].

Domestic biotechnology and medical technology provided much of the leadership for the month's performance. The reasons for this were more company-specific than sector allocation. For example: The stock price of Tripath surged when it was announced that Becton Dickinson offered to buy the company at an 80% premium to the market price; Heska continued to report good numbers and a promising forecast for 2007; Collagenex rebounded from having traded down on hearsay that proved to be false; and Durect rose after being oversold in the mid-year crush.

Indian holdings provided clear leadership for the month's international performance. Some of these holdings were resurging from the mid-year market decline [Adlabs and State Bank of India] while others were continuing their leadership role [India Cements and Larsen & Tubro]. Indonesia played a strong supporting role in the month's performance. All three holdings were up strongly. Beijing Capital Land opened again for trading the last week of the month, and its price jumped nearly 20% for that week. We have recently visited the company in Beijing and are impressed with the company's positioning today to avoid most of the effects of the government's edicts to curtail property speculation. Having been uncertain about this holding, we are now holding firm and looking into increasing the position. We are also impressed with Turkey after a recent visit there and note that Turkiye Is Bankasi in the portfolio has rebounded well from mid-year lows.

Because of the strong results in August, the portfolio's trailing three-month performance has returned to positive territory and significantly closed the gap with its benchmark for that period. Critical for this result is the portfolio's concentration in Southeast Asia and India and on a focused domestic strategy.

**MANAGER STYLE SUMMARY**

*Zesiger's unique mandate is best described as an "absolute total return" strategy: they are allowed to invest in any publicly traded equity or debt instrument (excluding derivatives) and private equity (which is also tracked by Hamilton Lane). Zesiger's style entails more of a long-term trend and growth orientation, which favors small growth stocks (particularly bio-tech), emerging markets and private equity -- this implies high volatility. Judgements regarding Zesiger's performance should entail a long-term (at least 5 yrs) perspective, given their style. Portfolio characteristics will tend to be growth-oriented, with a tendency for country allocations to be in less-developed countries. Zesiger will not track any particular index well.*

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**PORTFOLIO GUIDELINE COMPLIANCE**

AUGUST 2006

Portfolio Guideline:	Zesiger	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase				ok
B4. Number of issues	95	80	160	ok
B5. Normal Country Exposures:				
United States & Canada	50%	30%	100%	ok
Americas ex U.S.	4%	0%	25%	ok
United Kingdom	0%	0%	25%	ok
Europe ex U.K.	3%	0%	40%	ok
Japan	4%	0%	45%	ok
Pacific ex Japan	24%	0%	35%	ok
Non-Index Countries	10%	0%	15%	ok
Cash & Hedges	5%			
Total	100%	(does not have to add up to 100%)		
C1. Currency or cross-currency position <= value of hedged securities				ok
No executed forward w/o corresponding securities position				ok
C2. Maximum forward with counterpart <= 30% of total mv of account				ok
F2. Brokerage commissions not to exceed \$0.06/share				ok
F3. Annual Turnover	25%		100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES**

There were no deviations.

**ORGANIZATIONAL/PERSONNEL CHANGES**

none

**ACCOUNT TURNOVER**

Gained:	Number of Accounts:	2	Total Market Value (\$m):	\$	600,000.0
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				